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*December 2018*

# Management Report



Highlights of the monthly activities of the ASSOCIATION OF ASIAN CONFEDERATION OF CREDIT UNIONS

## **NACUFOK hosts 2nd Asian Credit Union Leadership (ACL) Program**

From November 26 to December 5, 2018, NACUFOK hosted the 2nd Asian Credit Union Leadership (ACL) Program. Eight participants from Bangladesh, Nepal, the Philippines, Sri Lanka and Thailand participated in the program.

The ACL program is an intensive training course designed to cultivate mid-level leaders of Asian credit unions. The program includes contents such as SDGs and the development experience, public relations, and supervisory systems of NACUFOK. Participants also had the opportunity to visit various primary credit unions such as Jumin, Dongjak, and Seoul Pharmacist credit unions.

Mr. Jong Heui Park, director of the NACUFOK Training Institute, mentioned that “NACUFOK was able to reach its current status through the support of the German Misereor Foundation in the 1980s. As a way of returning this back to the credit union society, the NACUFOK Training Institute will continue to play its role in the development of Asian credit unions”.



## NACUFOK holds 31st Exposure Program



The 31st NACUFOK Exposure Program was held at the NACUFOK Seoul Central Office and Golden Light(Geum-bit) Credit Union in Jeju Island, during a period of five days from November 12th to 16th. A total of 16 people from Nepal, Thailand, the Philippines, Bangladesh, Japan and Canada participated in the program.

The contents of the training were focused on the history and success factors of Korea 's credit union movement, the current status of NACUFOK Credit and Cooperative Insurance Businesses, and Supervisory and Deposit Protection Systems of NACUFOK. By sharing the experiences of different Asian Credit Unions, the NACUFOK Exposure Program provided an opportunity for participants to exchange information about each credit union and to strengthen the global credit union network.

Also, this year's program was particularly meaningful in that Japanese leaders from The Shinkumi Federation Bank, National Central Society of Credit Cooperatives, and the Association of Korean Credit Cooperatives in Japan were invited and given the opportunity to become a part of the Asian Credit Union network.

Currently, the Japanese organizations are not affiliated with the Association of Asian Confederation of Credit Unions, nor the World Council of Credit Unions, but are planning to become a part of the global movement.

In order to support the co-development of credit unions in Asia, NACUFOK has for 31 years been inviting Asian credit union leaders to share the Korean credit unions' experiences and management practices. NACUFOK has also been providing all domestic expenses for participants, as a form of support for Asian credit unions. The NACUFOK Exposure Program is well known as a training program for the leadership of the Asian credit union movement.



# Hong Kong Credit Unions got Tax Exemption from Profits

*By Mr. Andrew So, ACCU Founding President*



In March 2009, The Hong Kong Inland Revenue Department served notices on credit unions that they be assessed for profits tax for the year of assessment 2002/2003 onwards. Credit unions in Hong Kong believe that the Assessment is unfounded and had filed notices of objection against the Assessment. One of the reasons for objection given was that the Board of Review on taxation in Hong Kong had made a decision in 1979 that credit union is not a business and is not liable to profits tax.

At the annual seminar organized by the Credit Union League of Hong Kong on December 8, 2018 in a hotel in Kowloon, the welcoming order made by the Chief Executive in Council of Hong Kong under the Inland Revenue Ordinance to exempt credit unions from profits tax (except those profits arising from disposal of any land or buildings) from the year of assessment 2002/03 to 2016/17 and 2017/18 onwards, as communicated to the credit unions by the Financial Services and the Treasury Bureau in August 2018, was related to the attending credit union presidents and representatives.

When mentioning such a welcoming news, Mr. Y.C. Lee, CEO of the Credit Union League of Hong Kong (1st in row 3 in beige jacket in group photo) jokingly said that the good news came as a result of Andrew So giving a piece of his mind to the high ranking officials of the Authorities concerned at a meeting of credit union delegates with them on the subject matter.

Credit unions in Hong Kong were given legislative recognition of their existence and importance in 1968 when the Credit Unions Ordinance was enacted.

The Hong Kong Inland Revenue Ordinance was amended in 1981 to exempt credit unions from tax on interest paid or payable in respect of a loan made by a credit union.

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## **ACCU Joins in Celebrating the 90th Year Anniversary of TCC Coop**





Congratulations to TCC on a successful 90th Anniversary Dinner and Dance on December 29. The Board thank all members for their support as TCC Coop continues to strive for more progress on the journey together towards the first century! CEO Elenita San Roque attended the celebration in recognition of the support TCC Coop has extended to ACCU being an outstanding supporter member. Also in attendance were delegates from the Association of Credit Unions of Malaysia.

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## San Jose Coop Organizes its Sister Society

San Jose Koop held its 1st Sister Society Meeting, a local chapter of the Global Women Leadership Network on December 17. ACCU CEO Leni San Roque, PFCCO CEO Emma Sable Dela Cerna and PFCCO Manager for Member Services Ernan Palabyab facilitated the launch meeting. The members consist of the key officers and Gender advocates of the the coop. San Jose Coop is looking forward to empowering both women and men towards development and involving its members in achieving a gender-fair coop.





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